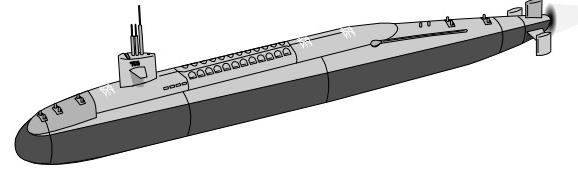
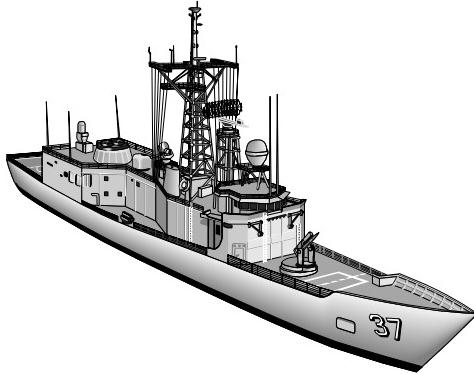


NAVSEA OPN Outfitting



Financial Overview

**Tim Dutcher
SEA 04L4**

**SCLSiS/Outfitting Conference
22-23 July 1998**

*Fleet Logistics Support
Team*



OPN Outfitting Overview

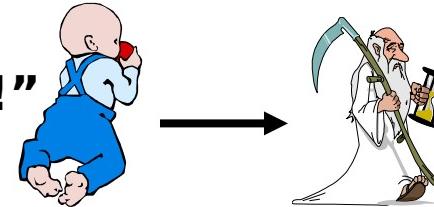
- **Background**
- **What the Account Pays For**
- **Outfitting & Material Support Life Cycle**
- **FYs 99-01 Status of Funds**
- **Execution Initiatives**
- **Summary**



OPN Outfitting Background

● NAVSEA MISSION - “We Are Ships!”

- * **Cradle-to-Grave Responsibility**
- * **Develop, Acquire, Modernize, and Maintain Ships, Ordnance, and Systems**
- * **Enable Our Sailors and Marines to Fight and Win**



● SEA 04L Integrated Logistics Role

- * **Supply Support Policy, Procedures for Provisioning, Allowances, Outfitting**
- * **Navy's Non-Aviation Outfitting Agent**

● SEA 04L4

- * **NAVSEA’s Manager for OPN Outfitting Account**
- * **Responsible For:**
 - ✓ Budget Development/Justification - Fleet Requirements
 - ✓ Program Execution/Financial Management - Fleet Support

Fleet Logistics Support Team



OPN Outfitting

What the Account Pays For

- OPN Outfitting Funds:

- * **All Changes to “Baseline” Allowance List**
 - ✓ *From OWLD - End of New Construction Funding*
 - ✓ *Through Life of Ship - Decommissioning*
- * **Spares and Repair Parts Support for Equipment That Has Reached MSD and Is Fully Supported by the Navy Supply System**
 - ✓ **Modernization**
 - New Equipment/Weapon System Installations
 - ✓ **Maintenance**
 - Alteration of Previously Installed Equipment Configuration
 - ✓ **CNO-Approved Special or Unique Allowance Changes or Equipage Items**

- OPN Outfitting Represents:

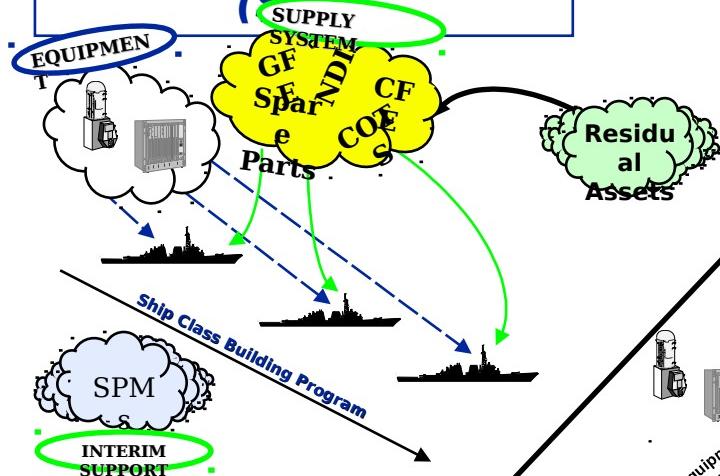
- * **“Buy-Out” of a Lead Time Earlier NAVICP-M “Buy-In”**
- * **“Buy-Out” of DLA and Other ICPs**
Fleet Logistics Support Team



OPN Outfitting

Outfitting & Material Support Life Cycle

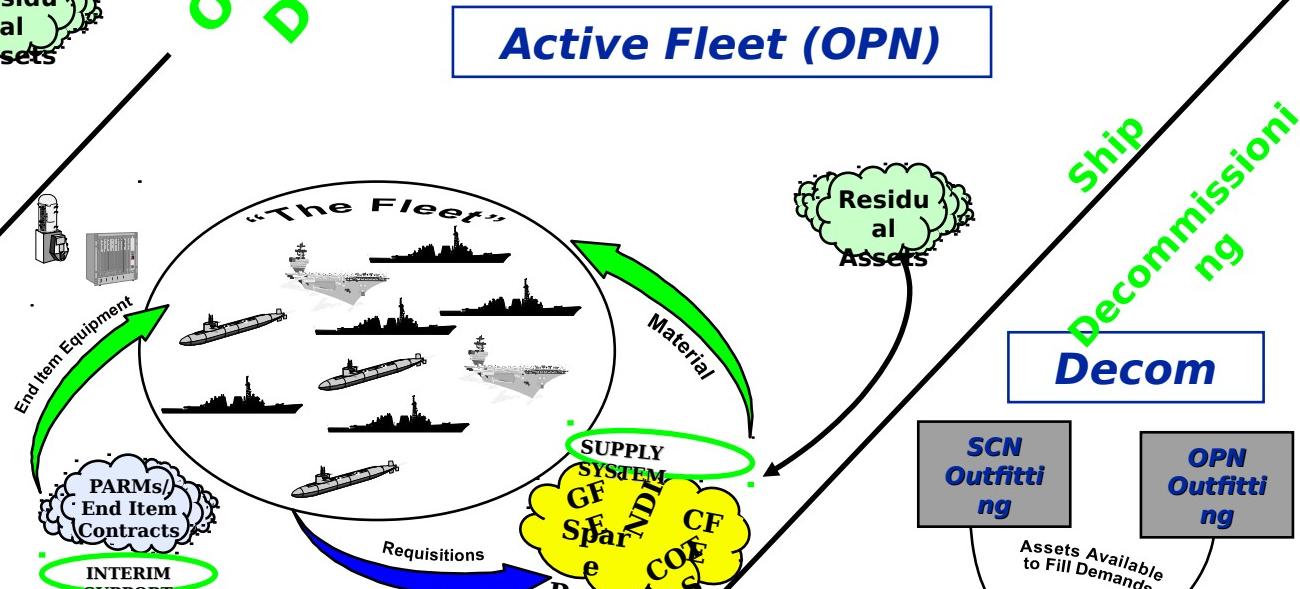
New Construction (SCN)



► Basic Ship Fitting Out during New Construction

Fleet Modernization / Allowance Maintenance

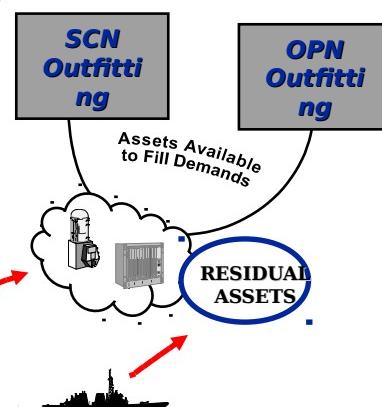
- ✓ New Equipment Added
- ✓ Updated Technology
- ✓ Usage Feedback Updates Allowances



Active Fleet (OPN)

Ship Decommissioning

Decom



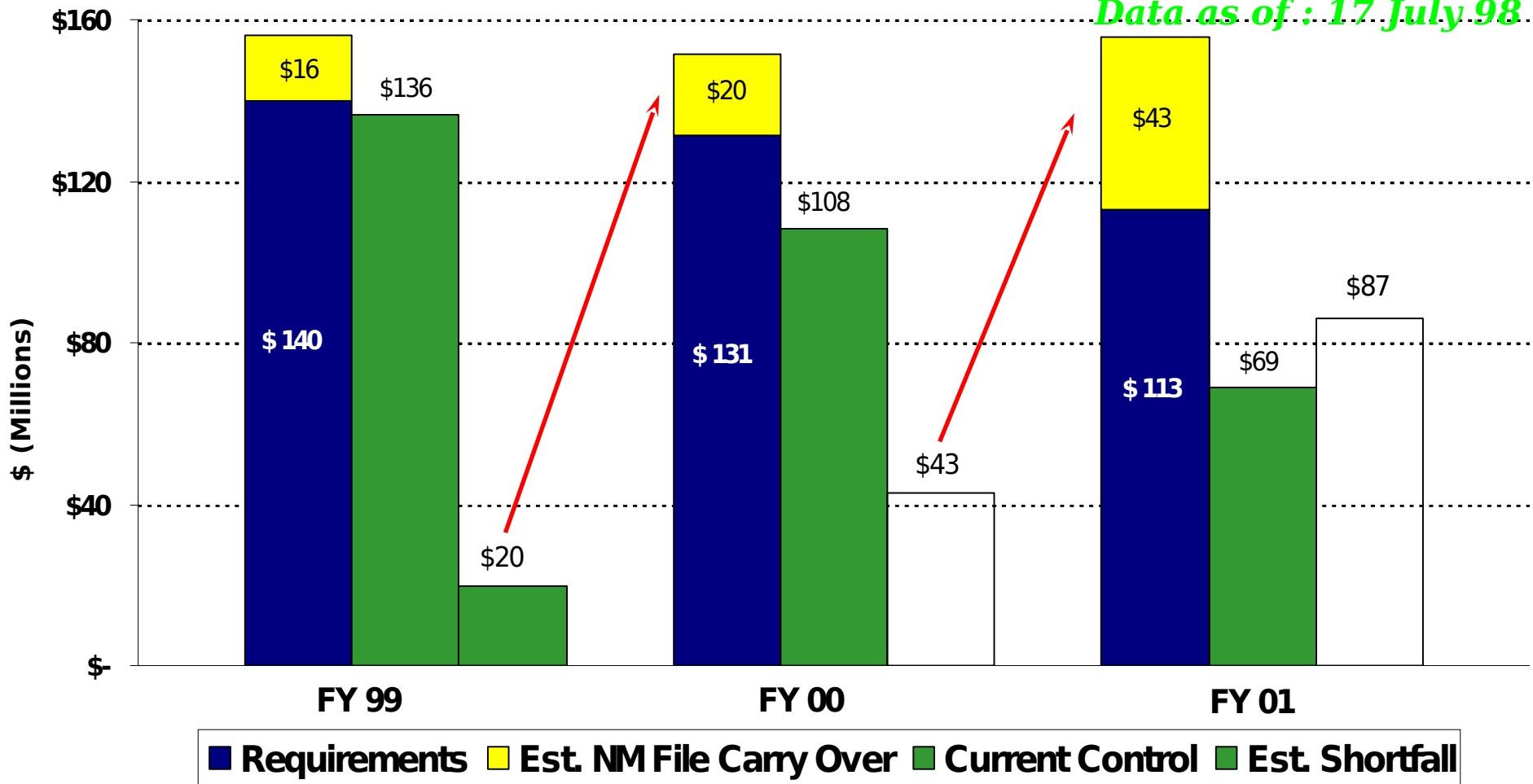
Residual Assets Reutilized after Ship Decommissioning



OPN Outfitting

FYs 99-01 Projections

Data as of: 17 July 98





OPN Outfitting Execution Initiatives

**Business
Process
Improvements
= Improved
Fleet Support**

- **Initiatives to Use Limited Funding Cost Effectively and Efficiently:**

- * **Validate All Requisitions > \$300**
 - ✓ Invalid/Not Allowed Requisitions Cancelled
- * **Screen Residual Asset Databases (CRAMSI/RAM) for Potential “Free Issue”**
 - ✓ Offset in Budget
- * **Screen Availability of NAVICP-M Material So That Funds Are Not Obligated to Fill Requisitions Until Material Is Ready For Issue**
 - ✓ If Material Is Unavailable, Requisition Is Retained in the No Asset (NA) File
 - ✓ Weekly Screening of NAVICP Master Data File (MDF)
- * **Recoupmment and Reuse of Funds From Cancellations or Deobligations Are Applied to Shortfalls**



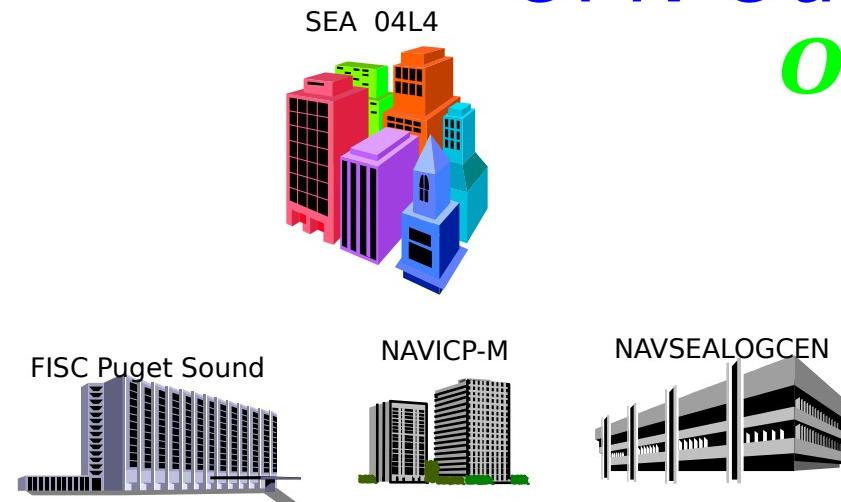
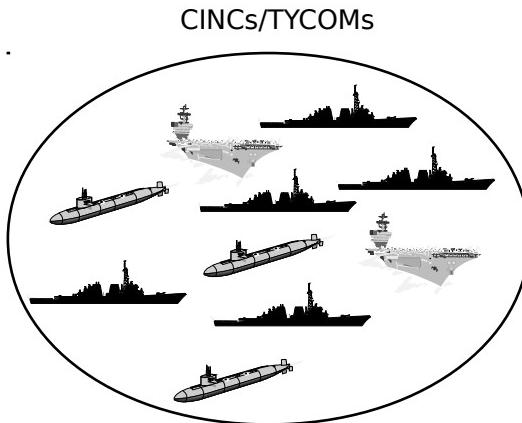
OPN Outfitting

Execution Initiatives ... Cont'd

- Initiated Fleet/NAVSEA Prioritization in June 95... and Again in April 96
 - * *Continued Through FY 97 and FY 98*
- Fund Only:
 - * *(1) Nuclear (Q COSAL); (2) Strategic Weapon Systems; (3) Safety and Survivability Items; and (4) Range Adds Only for TYCOM Identified Critical Systems*
- Otherwise:
 - * *Requirement Still Registered at NAVICP-M*
 - * *Requisition Held in ACTS With No Money (NM) Status*
- Coordinating Closely With CINCs/TYCOMs to Designate Priority UICs and Ships' Systems
- Continuous Review of Available Funds and No Money (NM) File Requisitions
 - * *NM File Revalidation Twice Per Year*
 - * *No Requisitions in NM Over One Year...either Fund or Cancel (If No Longer Authorized After Revalidation Effort)*



OPN Outfitting Overview



- **Current Budget Projections Show Severe Limited Funding in the Outyears:**
 - * *Execution Initiatives Are in Place To Properly Manage Funds*
- **NAVSEA 04L4 Will Continue The Close Working Relationship With CINCs/TYCOMs**
 - * *Facilitates Prioritization Implementation*
 - * *Allows for Quick Response in Funding Urgent Requirements*